

Country and Government Context

Azerbaijan is located in the southeast of the Caucasus Mountains, covering 86,600 square kilometers. It is bordered by the Russian Federation to the north, by Georgia to the northwest along mountainous terrain, by Iran and Turkey to the south, and by Armenia to the west. The harbor city of Baku on the Caspian Sea is the capital of the Republic of Azerbaijan.

Of a total population of 9.2 million,^a nearly 52% is urban. Azerbaijan is a model of peaceful coexistence of different religious communities. Predominantly Muslim, the country traditionally has served as a safe haven for various ethnic groups, religions, and cultural traditions. Large communities of Christians and Jews have also lived in Azerbaijan throughout history. Secularism and noninvolvement of the State in religious affairs are a strong local tradition supported by law.

Azerbaijan is ruled by a presidential system. The Government of Azerbaijan is based on the principles of separation of powers among the legislative, executive, and judicial branches (Article 7 of the Constitution). The Constitution determines that the executive power is held by the President, the legislative power is carried out by the Parliament of the Republic of Azerbaijan (*Milli Mejlis*), and the judicial power is held by independent courts.

Azerbaijan is the largest and the fastest-growing economy in the South Caucasus.^b Two-thirds of the country is rich in oil and natural gas. It also has the largest agricultural basin in the region; about 55% of the total land area of Azerbaijan is agricultural land. Tourism plays an important role in the country's economy. Azerbaijan also provides key transport links, connecting Eastern Europe to Central Asia and the Caspian Sea.

^a State Statistical Committee of the Republic of Azerbaijan.

^b The Economy Watch. The 12 Fastest Growing Economies in 2010.

Civil Society: An Overview

The modern nongovernment organization (NGO) sector in Azerbaijan began in the late 1980s. People avoiding persecution from the Soviet Empire secretly joined civil society activities and later started to involve like-minded people around them. Scientists living in Baku were primarily the first to deal with social activities. These intellectuals who were trying to rescue the nation from the tragic period characterized by the Armenian invasion and occupation of Daghigh Garabagh¹ were expanding their political participation, as well as establishing social organizations and charitable societies. The breakdown of the Soviet Union was followed by charitable and cultural centers that united citizens through institutions. One of the first initiatives was the Committee for People's Assistance to Garabagh, established on 15 August 1989; the Azerbaijani Refugee's Society was established in December of that year. Both organizations provided financial support to the war-affected population of Nagorno-Karabakh and the resulting internally displaced persons. Also, this Committee published the *Azerbaijan* newspaper, which laid the foundation for free press in Azerbaijan. This newspaper played an exceptional role in promoting alternative public opinion.

Following the independence of Azerbaijan in 1991, civil society was able to develop under more favorable conditions. In 1995, the Constitution of the Republic of Azerbaijan was adopted, which became a significant historic document for both statehood and the civil society. In fact, the NGOs established and functioning under modern, international standards were created only after the independence of Azerbaijan, mainly following the adoption of the Constitution in 1995.

A new Law of the Republic of Azerbaijan on Non-Governmental Organizations (public unions and funds) was adopted in 2000, and it established the national NGO platform, the National NGO Forum (NNF). The efforts of the government, NGOs, and experts were intensified to set up a national donor institution in Azerbaijan, which became the Council of State Support to NGOs under the President of the Republic of Azerbaijan.

International organizations, such as the Initiative for Social Action and Renewal in Eurasia (ISAR)-Azerbaijan, Eurasia Foundation, Open Society Institute Assistance Foundation (OSIAF-Azerbaijan), Counterpart International, and others united to establish a cluster of local, regional, and international NGOs offering professional social services. The cluster of civil society organizations that they have created is now able to stand as the third sector in today's Azeri society.

Nowadays, NGOs play an active role in the country's political and socioeconomic life, making contributions to major projects implemented in-country, such as their involvement in the Baku–Tbilisi–Ceyhan oil pipeline through the Extractive Industries Transparency Initiative and the State Programme on Poverty Reduction and Economic Development.

Overview of the NGO Sector in Azerbaijan^a

- Registered nongovernment organizations (NGOs) – about 2,700 (as of June 2011)
- Active NGOs – approximately 1,200 (as of June 2011)
- Permanent employment provided by NGOs – 4,000 people
- Temporary employment provided by NGOs – more than 3,000 people
- Members and volunteers – 500,000 people
- Beneficiaries of NGO activities – 1,900,000 people

^a The Council of State Support to NGOs under the President of the Republic of Azerbaijan.

About 2,700 NGOs were officially registered² as of June 2011, although approximately 1,200 of these NGOs are inactive. Most of the NGOs operate in Baku. NGOs are not very active outside of urban centers, and rural-based NGOs provide fewer services and have more limited access to funding. Generally, NGOs are involved in the legal and socioeconomic development of Azerbaijan. NGOs primarily help develop civil society, build a democratic and lawful state, integrate Azerbaijan into global issues, protect human rights and socioeconomic and national values, and help resolve problems of refugees and internally displaced persons. NGOs also support the integration of Azerbaijan into the international community, and the restoration of Azerbaijan's territorial integrity and sovereignty.

Despite progress in certain areas, the NGO sector still faces difficulties. The majority of NGOs are still dependent on funding from international donors, although many are making serious attempts to diversify

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their sources of funding. The Council of State Support to NGOs under the President of the Republic of Azerbaijan, established in 2007, is demonstrating a strong willingness to cooperate with foreign organizations on adopting international best practices, and receives substantial technical assistance from various donors. From 2008 to 2011, the Council allocated a total of about \$10 million in grant assistance to approximately 600 NGOs through a competitive basis. The priority areas of state support to NGOs include protection of health, youth development, education, development in the rural areas, and supporting refugees and internally displaced persons.

Non-registered NGOs operate in Azerbaijan alongside the registered NGOs. Most of the non-registered NGOs are located in the rural areas. One of the main reasons for their being non-registered is their low capacity. The lack of financial and technical support has gradually weakened this vital sector in rural Azerbaijan. Rural NGOs do need financial support, but more importantly, they need assistance in organizational development. As a result of limited access to funding and overall weak management practices, stagnating rural NGOs fail to provide much-needed social, educational, and advocacy services for their communities which, in turn, undermines further regional development at the grassroots level.

The NNF is providing capacity-building activities for NGO staff through its five rural NGO Resource and Training Centers in Shirvan, Guba, Gabala, Shemkir, and Mingechevir, which are spread around the country.



Government–Civil Society Relations

In 2000, a new stage in the relations between NGOs and the government began with the Law of the Republic of Azerbaijan on NGOs (Public Unions and Funds). The Law takes into account the protection of the rights of NGOs by government institutions. The Law also addresses financial and other assistance provided by the government to NGOs.

Recently, different legal acts have been passed for the development of NGO operations in Azerbaijan. Among these, the Decree of the President of the Republic of Azerbaijan on Approval of the State Support Concept to Non-Governmental Organizations in the Republic of Azerbaijan on 27 July 2007 (Order # 2288) is especially important. This Order, and the related Concept paper,

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paved the way for changing the relations toward NGOs, and the development of new political and legal conditions affecting civil society. State organizations of Azerbaijan normally develop Concept papers, which are the overall planning and direction documents.

The Concept paper, in general, included the following:

- An analysis of the state of the NGO sector in Azerbaijan;
- Basic principles and forms of state support to NGOs;
- Priority areas for state support to NGOs;
- Main instruments for providing the state support to NGOs;
- Improvements of the collaboration mechanisms between public bodies and civil society institutions;
- Conditions for implementation financial assistance from the state for targeted programs, projects, and activities aimed at resolving problems.

According to the Concept paper, there are five types of state support to NGOs:

- *Information support* (provided to highlight the NGO sector's activity in social issues through mass media, and radio and television broadcasts about the NGO sector's development in Azerbaijan)
- *Consultative support* (an interpretation of legislative and other legal acts, as well as advice on opportunities for obtaining state support for NGOs and other related issues)
- *Methodic support* (carried out through recommendations, information materials, and similar means)
- *Institutional support* (provided through the organization of roundtables, seminars, conferences, training, and other events to solve social problems jointly with NGOs)



- *Financial support* (envisages financing of targeted programs, projects, and actions focused on solution of problems important for society, through the state budget funds)

The President of Azerbaijan signed the Decree on 13 December 2007 on the Establishment of the Council of State Support to the Non-Governmental Organizations under the President of the Republic of Azerbaijan. Under this Decree, the Council of State Support to NGOs was established and its Charter approved.

Under the Order of the President of the Republic of Azerbaijan dated 16 April 2008, the composition of the Council of State Support to NGOs, consisting of 3 representatives from public bodies and 8 NGO representatives, was approved.

Generally, the Government of Azerbaijan envisions an active role for civil society in providing social services to vulnerable groups and promoting good governance. The State Program on Poverty Reduction and Sustainable Development (SPPRS) in the Republic of Azerbaijan for 2008–2015 specifically prescribes a greater role for NGOs “in the important processes of increasing the role of the communities in solving local problems, and encouraging community development” over the course of SPPRS implementation.

From 1998 to 2009, NGOs participated in 13 government programs with more than 40 events in 17 different places. They include the

- State Program on Application of Norms of the European Social Charter



- State Program on the Development of the Justice System in Azerbaijan
- State Program for Azerbaijani Youth
- State Program for Development of the Azerbaijani Cinema
- State Program for Development of Demography and Population Inhabitancy in the Republic of Azerbaijan
- State Program for Providing Children from State Child Organizations with families and alternative care
- State Program for the Implementation of Employment Strategy in the Republic of Azerbaijan
- State Anti Corruption Program
- State Program Against Drugs, Illegal Flow of Psychotropic Matters, and *Pekurses* (Spread of Drugs)
- State Program for Solving Problems of Refugees and Internally Displaced Persons

- State Program for the Development of Creativity in Gifted Children (Youth)
- State Program for Diabetics
- State Program on Poverty Reduction and Sustainable Development in the Republic of Azerbaijan

The Legal Framework for Civil Society

The legal framework affecting NGOs in Azerbaijan guides both the establishment and activities of NGOs. Thus, the favorable legal framework for creation and operations of NGOs is one of the main reasons for the development of civil society in Azerbaijan.

Recently, the legal framework for NGOs in Azerbaijan has been evolving. Despite a number of shortcomings, in general, the existing legislation is favorable. Currently, several documents govern this area, including the Constitution, the Civil Code, the Law on NGOs (Social Unions and Foundations), the Law on State Registration and Register of Legal Entities, the Law on Grants, the Law on Volunteering Activity, decrees and edicts of the President of the Republic of Azerbaijan, as well as other regulatory legal documents. At the same time, under the Constitution, a number of international legal documents also build upon the legal framework of NGOs. These international acts include the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the European Convention for the Protection of Human Rights and Fundamental Liberties.

Tax Treatment of NGOs

By law, three types of income of noncommercial organizations³ are exempt from taxation under the Tax Code: charitable monetary transfers, membership fees, and donations. These types of income are not defined within the framework of the Tax Code. Furthermore, Azerbaijan's Civil Code does not define "donations."

A fourth type of income—grants—is, in practice, exempt from profit taxation, although the Tax Code does not specifically exempt grants. Under the Law on Grants, a "grant" is described as "purpose-oriented, gratuitous, non-repayable assistance provided under the procedure in the Law on Grants for preparation and implementation of projects beneficial to state and society." To qualify as a recipient of a grant, a domestic legal entity must have, as its primary statutory purpose, either of the following: (i) charitable activity, or (ii) the implementation of projects and programs—eligible for a grant—that do not pursue the direct derivation of profit from the grant. A prior version of the Law on Grants exempted grants from profits taxation, but the current law notes "issues of taxation, connected with the obtaining...of a grant, or of other monetary or material assistance are regulated by the Tax Code of the Republic of Azerbaijan." Since the Tax Code does not specifically exempt grants (and precludes inclusion of issues concerned with taxation and tax control into other legislative acts), it may be concluded that the practice of exempting grants is based on an understanding that "donations," as used in the Tax Code, include grants.⁴

All income received by charitable organizations,⁵ except for income from entrepreneurial activities, is exempt.

Under the Tax Code, income from entrepreneurial activities by noncommercial organizations is taxed. Nor does the Tax Code condition any exemptions for other types of income (donations, fees, etc.) on non-conduct of entrepreneurial activities or unrelated activities.

The Tax Code of Azerbaijan establishes a uniform value-added tax (VAT) rate of 18%. A zero rating is applicable to transactions listed in Section 165 of the Tax Code, which includes, among other things: "*purchases of goods, performances of works, and provision of services [funded by] gratuitous financial assistance (grants) received from abroad, as well as importation of such.*" Zero VAT rating is applicable only to foreign grants.

Registration Requirements for NGOs

The Law of the Republic of Azerbaijan on NGOs (Public Unions and Funds) regulates the establishment and operation of public organizations and funds. This Law determines the rules for establishment, operations, reestablishment, and liquidation of NGOs, and defines their activities, administration, and relations with government bodies. According to the Law, state registration of NGOs may be rejected only if

- There is another NGO existing under the same name; or
- Documents submitted for state registration contradict the Constitution or the laws of the Republic of Azerbaijan, or contain false information.

The Department of Registration of Legal Entities at the Ministry of Justice is responsible for the registration of NGOs. In order to register noncommercial legal entities, it is necessary to apply to the Ministry of Justice of Azerbaijan Republic (or to a respective regional agency of the Ministry of Justice for associations and registration of trade unions), or with regard to the jurisdiction, to the Ministry of Justice of Nakhchivan Republic.

The amendments to the Law on Non-Governmental Organizations (Public Unions and Funds) adopted by the *Milli Mejlis* on 30 June 2009 state that registration of branches of NGOs and representations of foreign NGOs can be carried out on the basis of the agreement signed with such organizations.

Umbrella and Coordinating Bodies

The NGO coalitions in Azerbaijan are mainly focused on mobilizing resources in order to strengthen civil society's overall capacity. The NGO coalitions are taking an active role in helping reform local public

service delivery by monitoring local government activities, gender-related policies and programs, education reforms, budget issues, regulatory reforms, utilities and housing concerns, and agricultural and environment issues. Over the last 10 years, 17 different coalitions, with participation of different NGOs from urban and rural areas, have been established in Azerbaijan. The largest and most active NGO coalition in Azerbaijan is the NNF (Milli QHT Forumu). Formed in 1999, the NNF brings together and coordinates 533 local NGOs.⁶ Information about some of the main coalitions is given below:

The Azerbaijan NNF, founded in 1999, was established as a result of the cooperation between the United Nations Development Programme and the Government of Azerbaijan. It paved the way for a new phase of civil society development in Azerbaijan through providing local NGOs with information, consultative, technical, and organizational assistance. The NNF is an NGO that coordinates and networks the activities of local NGOs and responds to any emergency situations. It provides training to local NGOs on all aspects of organizational development skills, as well as assisting to link local NGOs with government, national and international donors, technical institutions, and private agencies, to represent local NGOs in different forums. The NNF also assists in establishing an enabling environment for local NGOs to grow and develop legally and in a sustainable manner.

National NGO Forum

33A H. Javid Avenue, m. Elmlar Akademiyasi
Baku, Azerbaijan
Tel +994 12 510 7601/510 1553
www.mqfxeber.az

The Extractive Industries Transparency Initiative (EITI) was launched by Tony Blair, Prime Minister of the United Kingdom, at the World Summit on Sustainable Development in Johannesburg in September 2002. The objective of the EITI is "to increase transparency over payments and revenues in the extractive sector in countries heavily dependent on these resources." The Government of Azerbaijan stated its support to the initiative when it was launched and indicated its readiness to participate in EITI at the country level.⁷

On 13 May 2004, more than 30 Azerbaijani NGOs signed a memorandum and announced the establishment of the Coalition for Improving Transparency in Extractive Industries in an effort to ensure public control over the revenues obtained through the exploitation of the country's natural resources and their effective use.

Coalition for Increasing Transparency in Extractive Industries

95 Jafar Jabbarli Street 44,
Caspian Plaza 3, 9th floor
Baku, Azerbaijan
Tel +994 12 437 1320
www.eiti-az.org

The Azerbaijani NGO Alliance for Children's Rights is a national coalition of local NGOs and children and youth groups working throughout the country with and for children of Azerbaijan in order to make their voices stronger and be heard. Through its programs and activities, the Alliance covers almost all regions of the country. The main priority areas of work include child rights protection, child rights education, children's health, social and cultural rights of children, children with special needs and disabilities, child labor, child trafficking, violence against children, exploitation of children, and sexual abuse.

Azerbaijani NGO Alliance for Children's Rights

59 Nizami Street 117
Baku, Azerbaijan
Tel +994 12 493 2142
www.ngoalliance.net

The National Assembly of Youth Organizations of the Republic of Azerbaijan (NAYORA) is a major youth work NGO and the only coordinating body of Azerbaijani youth. NAYORA was created by 12 youth organizations on 21 November 1995 and registered by the Ministry of Justice on 31 January 1996. The main goals include coordination of work of youth organizations; attainment of solidarity among the youth on questions of national importance; assistance in the creation and development of the youth NGOs and encouragement of young people to have active participation in the democratic processes in Azerbaijan; solutions of problems of young people and protection of their rights; and promotion of cooperation with international youth structures and other organizations and other activities.

National Assembly of Youth Organizations of the Republic of Azerbaijan (NAYORA)

66 Olimpiya Street 14
Baku, Azerbaijan
Tel +994 12 564 9014
www.nayora.az

One of the main principles of the Civic Response Network is to improve the knowledge and skills of civil society and to prepare it for constructive and equal dialogue with companies operating in the mining



industry and with related government agencies. The dialogue is built in order to achieve the solution of problems related to the impact of mining industry, in other words to achieve the constructive solution of problems. The main objective is to increase civil activity in areas affected by the mining industry and to establish civil control mechanisms through community mobilization.

Civil Response Network
58 Hasan Aliyev Street 117a
Baku, Azerbaijan
Tel +994 12 564 3474 / 564 3475
www.crn.az

Civil Society Directories

In Azerbaijan, information about civil society is kept up-to-date through the Council of State Support to NGOs, which is open to all registered NGOs in Azerbaijan for support, information, and access to funding through a competitive process.

The Council's major objectives are strengthening civil society and achieving its sustainable development, encouraging close cooperation between government and NGOs by acting as a bridge between them, and engaging NGOs in addressing social problems.



Strengths and Weaknesses of Civil Society in Azerbaijan

Recently, the number of NGOs capable of governing themselves and organizing their work in a structured manner has been increasing. More NGOs have restructured their internal management and adopted international best practices, although this was initially driven by donor requirements.

More NGOs are becoming focused on well-defined objectives, although some continue to engage in activities outside of their main areas of focus to secure grants. NGOs continue to be weak in their strategic planning as some NGO leaders lack adequate training in strategic management and are only able to plan for short-term activities.

Most NGOs have permanent access to basic office equipment, although rural-based organizations still face difficulties in this regard. Many NGOs have improved their reporting skills and now provide expanded information about their programs through their websites and frequent public presentations. Only a few NGOs make their financial statements available to the public.

Volunteers are recruited and engaged on a broad scale in NGO activities. Few NGOs can afford to employ permanent staff. Most NGOs recruit employees based on the immediate demands of their current projects and grants. Some NGOs that have secured long-term donor support are reducing personnel turnover, but still face a problem with employees leaving to work for international organizations, embassies, or private companies that offer higher salaries and better opportunities for career development.

The NNF also compiles a separate directory of its member organizations, which totaled 533 in 2010. Visit www.azerweb.com/en/sectors.php to see the online directory of NGOs.

The Council of State Support to NGOs under the President of the Republic of Azerbaijan
1 Fikret Amirov Street
Baku, Azerbaijan
Tel +994 12 493 1581/493 1780/493 1732
www.cssn.gov.az

National NGO Forum
33A H. Javid Avenue, m. Elmlar Akademiyasi
Baku, Azerbaijan
Tel +994 12 510 7601/510 1553
www.mqfxeber.az

Civil Society Funding

In line with the Law on NGOs (Public Unions and Funds), the government may provide financial and other support to NGOs. It may be provided through information, consultations, logistical support, and grants. The Council of State Support to NGOs under the President of the Republic of Azerbaijan provides grants to NGOs.

According to the Council of State Support to NGOs under the President of the Republic of Azerbaijan, 352 local NGO projects (from 845 project proposals submitted by NGOs) were financed during 2010. The total value of funds allocated in different projects was more than \$2,683,544. The projects mainly covered

Financial Support to NGOs by the Council of State Support to NGOs

Year	Number of Projects	Amount of Funding (in \$)
2008	191	1,518,987
2009	248	2,617,722
2010	352	2,683,544
2011 (Jan–Jun)	263	2,287,038
Total	1,055	9,107,291

NGOs = nongovernment organizations.

Source: Council of State Support to NGOs under the President of the Republic of Azerbaijan.

public, social, environmental, and cultural aspects and problems of Azerbaijani society.

However, most NGOs still depend on foreign donors for all of their budgets. The OSIAF-Azerbaijan; the United States Agency for International Development; the European Commission; and several bilateral (Norwegian, British, German, Danish, Swiss) and multilateral organizations (the World Bank) are among the most active donors to NGOs in Azerbaijan.

ADB–Civil Society Cooperation in Azerbaijan

From 2000 to 2006, the Asian Development Bank provided technical assistance to the Government of Azerbaijan to improve the collection and analysis of poverty data and to support the government’s preparation of its national poverty reduction strategy. The objective of the technical assistance was to support the government’s implementation of the State Programme on Poverty Reduction and Economic Development (SPPRED) 2003–2005, ensuring broad stakeholder participation in the strategy implementation process.

The scope of the technical assistance covered (i) assistance to develop a well-functioning SPPRED secretariat capable of fulfilling its mandate, which included monitoring the implementation of policy measures in the SPPRED strategy; (ii) provision of crosscutting support in areas, such as assistance to refugees and internally displaced persons, trade and poverty, social development and poverty, environment and poverty, and macroeconomic issues; (iii) support for a training program to enhance the skills of the SPPRED secretariat staff, particularly in pro-poor budgeting, standard poverty analysis techniques, and other areas identified in the training needs assessment; and (iv) support to the participatory process through assistance for organizing regional seminars and meetings to further the dialogue between policy makers

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and civil society and build stakeholders’ awareness of the importance of implementing the SPPRED strategy.

Local NGOs have been involved through the NNF in the process of organization of regional seminars and meetings, community mobilization in rural and urban areas, program promotion, and other activities.

The following assignments were implemented by the NNF under this technical assistance:

Name of the assignment:	Organization of the workshop on Technical Assistance on Poverty Elimination Strategy
Time frame:	November 2000
Budget:	\$4,000
Name of the assignment:	Assistance to the expansion of NGO and community participation in SPPRED
Time frame:	May 2004–January 2005
Budget:	\$18,485

Endnotes

- ¹ Also known as Nagorno-Karabakh.
- ² See Endnote 5.
- ³ According to the Tax Code of the Republic of Azerbaijan “Non-commercial activity is a conduct of legal activity the purpose of which is not generation of profit.” Note that noncommercial organization and nongovernment organization are used interchangeably in Azerbaijan.
- ⁴ The Tax Code of the Republic of Azerbaijan.
- ⁵ The Tax Code of the Republic of Azerbaijan defines a charitable organization as “non-commercial organization which conducts charitable activities.” The Tax Code

defines charitable activity as “activity performed by a natural person and/or charitable organization, which consists of rendering direct assistance, to include the transfer of monies, without compensation, to physical persons in need of material or other assistance (aid), or to organizations and charitable organizations that directly provide such assistance (aid), including charity organizations, or scientific, educational or other activities performed in the public interest except where otherwise stipulated in this Code.”

- ⁶ Azərbaycan Respublikasının Prezidenti yanında Qeyri-Hökumət Təşkilatlarına Dövlət Dəstəyi Şurası, Azərbaycan Respublikasında QHT sektoru üzrə Milli Hesabat, 2010.
- ⁷ www.eiti-az.org

For more information on ADB’s work in Azerbaijan, visit www.adb.org/publications/azerbaijan-fact-sheet

Definition and Objectives of Civil Society Collaboration

Civil society is a very important stakeholder in the operations of the Asian Development Bank (ADB) and its borrowers and clients. It is distinct from the government and the private sector and consists of a diverse range of individuals, groups, and nonprofit organizations. They operate around shared interests, purposes, and values with a varying degree of formality and encompass a diverse range—from informal unorganized community groups to large international labor union organizations. Of particular relevance to ADB are nongovernment organizations, community-based organizations and people’s organizations, foundations, professional associations, research institutes and universities, labor unions, mass organizations, social movements, and coalitions and networks of civil society organizations (CSOs) and umbrella organizations.^a

ADB recognizes CSOs as development actors in their own right whose efforts complement those of governments and the private sector, and who play a significant role in development in Asia and the Pacific. ADB has a long tradition of interacting with CSOs in different contexts, through policy- and country strategy-level consultation, and in designing, implementing, and monitoring projects.

In 2008, ADB launched Strategy 2020, which articulates the organization’s future direction and vision until 2020.^b Above all, Strategy 2020 presents three complementary strategic agendas to guide ADB operations: inclusive economic growth, environmentally sustainable growth, and regional integration. These agendas reflect the recognition that it is not only the *pace* of growth, but also the *pattern* of growth, that matters in reducing poverty in the region. In this new strategic context, partnerships with a range of organizations, including CSOs, will become central to planning, financing, implementing, and evaluating ADB projects.

^a ADB. Forthcoming. *Strengthening Participation for Development Results*. Manila.

^b ADB. 2008. *Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank, 2008–2020*. Manila.

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